Government influence on functioning of RBI

3685. SHRI RAJU PARMAR:
SHRI BHAGATRAM MANHAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "RBI functioning influenced by Centre, says economist" which appeared in the Asian Age, New Delhi on the 27th March, 2002;

(b) if so, what is Government's reaction thereto;

(c) whether the Reserve Bank of India (RBI) has been criticized by the economist for day-to-day interference of Central Government; and

(d) if so, the details of steps Government propose to take to ensure that the RBI functioning is not influenced by Central Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (c) Yes, Sir.

(b) Government does not agree with the views expressed by the economist. RBI functions as an autonomous organisation and Government does not interfere in its areas of work.

(d) Does not arise.